

Caravans West Owners Association

Policies and Procedures Manual Part A: Governance

September 2022
Approved

Definitions

1. **Caravans West RV Resort** Name of the RV Resort which consists of the “Lands” including all Common Facilities, Recreational Facilities and RV Sites located on the Lands. (See “Definitions” Co-Owners Agreement)
2. **Caravans West RV Resort Ltd.** Legal name of the developer of the Resort who was also the manager until Turnover January 1, 2005.
3. **Co-Owner** A person whose name is on a Certificate of Title at the Lands Titles Office for an undivided, fee simple, shared interest in the Resort.
4. **Co-Owners Agreement** This agreement must be signed by each Co-Owner at the time of purchase of a shared interest. The Agreement defines how all the Co-Owners are to manage and share the use of the Resort and its facilities.
5. **Caravans West Owners Association** A society incorporated under the *BC Societies Act* mandated as the vehicle for the Co-Owners to manage Caravans West RV Resort.
6. **Association Member** One Co-Owner for each Shared Interest may be a Member of the Owners Association. (See Association Bylaws and “Definitions Part B of this Manual.)
7. **Member-In-Good Standing** An Association Member who has no outstanding fees or debts to the Association and has not lost his/her status as a member in good standing with regard to Part B of the Policies and Procedures Manual – “Rules and Regulations”.
8. ***Societies Act*** *BC Societies Act* under which the Owners Association is incorporated as a non-profit, non-share capital entity.

9. **Responsibilities**

A responsibility is an obligation to do something or to have something done.

10. **Accountabilities**

Accountability identifies the person or body to whom a person with a responsibility must reckon or account to for that responsibility. (Example: Politicians are responsible for governing the country but are accountable to the voters.)

11. **General Meeting**

A duly called meeting of Association Members; it may be either an Annual General Meeting or an Extraordinary General Meeting (See *BC Societies Act*).

Introduction

Purpose of the Policies and Procedures Manual

The policies and procedures in this manual are intended to provide direction and guidance for the Management of the Caravans West RV Resort (the Resort) by the Association, its Members, its Board of Directors, the Officers of the Board and staff.

This manual is divided into two sections. Part A – “Governance” outlines the policies and procedures to provide direction and/or guidance to the Association Members for the governing of the Association. Part B – “Rules and Regulations” identifies the rules and regulations of behavior for every person in the Resort.

History

In July 1995 the development of the Resort began. Initially the Developer (Caravans West RV Resort Ltd.) operated the Resort on a membership basis whereby a person (or persons) who purchased a Homestead Membership in the Resort was granted the exclusive use of a RV site plus the use of the common Recreational Facilities and Common Areas. Homestead Membership did not have any ownership rights in the Resort.

On October 26, 1999, the Developer received approval from the government to convert the Resort to a “shared interest” development, as defined in the *Real Estate Act of British Columbia*. The ownership of the resort was divided into 382 “shared interests” units and thereafter, instead of selling memberships, the Developer sold these “shared interests”. Each shared interest represents an undivided, fee simple ownership of 1/382nd of the Resort. That is to say, all the shared interest owners are part owners of the Resort but do not own any one particular part of it including the RV sites assigned to them for their exclusive use. Proof of ownership of a shared interest is a Certificate of Title issued by the Land Titles Office. Shared interest owners are generally referred to as “Co-Owners”.

Every purchaser of a shared interest (a Co-Owner) must sign the Co-Owners Agreement. If there is more than one person’s name on a Certificate of Title for any one shared interest, then each of these Co-Owners must sign the Co-Owners Agreement. The Co-Owners Agreement defines how all the Co-Owners are to manage and share the use of the Resort and its facilities. It is the Co-Owners Agreement, not the ownership title for a shared interest (the Certificate of Title), that grants the owner(s) of a shared interest the exclusive use of a RV site.

Individuals who purchased Homestead Memberships under the old arrangement were given the option of converting their memberships to “shared interests”. If they did not avail themselves of this option, they maintained their Homestead Membership with the Developer (Caravans West RV Resort Ltd.) who remained the owner of the shared interests associated with the Homestead Memberships. Approximately one year after the Turnover Date (see below), all Homestead Memberships had been converted to shared interests.

On January 1, 2005 (the Turnover Date), the Developer, in accordance with the Co-Owners Agreement, transferred the management responsibilities of the Resort to the Caravans West Owners Association.

Part A - Governance

1. Governance Mandate

Caravans West Owners Association is the vehicle the Co-Owners use to manage the Resort. The authority to do so is provided in the Co-Owners Agreement including all its attachments. One attachment is the “Constitution and Bylaws of Caravans West Owners Association”.

The Association is a society under the *Societies Act of BC* and, as such, is a non-profit corporation and a legal entity. The Association must operate under the provisions of the *Societies Act* of BC and, of course, obey all other laws, regulations and requirements of the federal, provincial and local governments. Subject to these constraints, the ultimate governing authority within the Association is its *Constitution and Bylaws*. The *Policies and Procedures Manual* is an extension and elaboration of the *Constitution and Bylaws* and is of a lower order of governing authority. According to the Bylaws only Co-Owners can be Members of the Association and there can only be one Member per shared interest. (See Definition 6 above and Association Bylaw 4).

2. Amending Procedures for Governance Authority

The *Constitution and Bylaws* may be amended in accordance with Part 2 of the *Society Act* entitled “Changes in Constitution and Bylaws”. Although the *Societies Act* needs to be consulted if any amendment in the *Constitution or the Bylaws* is contemplated, the key provisions of the *Act* are that an amendment must be passed by *Special Resolution* and then accepted by the Registrar of the Act. (A “*Special Resolution*” is defined in the *Society Act* under “Definitions”.)

The *Policies and Procedures Manual* may be amended by a simple majority of votes cast by Association Members-In-Good-Standing (Bylaws, Part 2) at a duly called general meeting (Bylaws Parts 3 and 11) of the Association providing there is a quorum (Bylaws Part 4) or by a duly executed mail-in vote (Bylaws, Parts 4 and 11) of all the Members-in-Good-Standing.

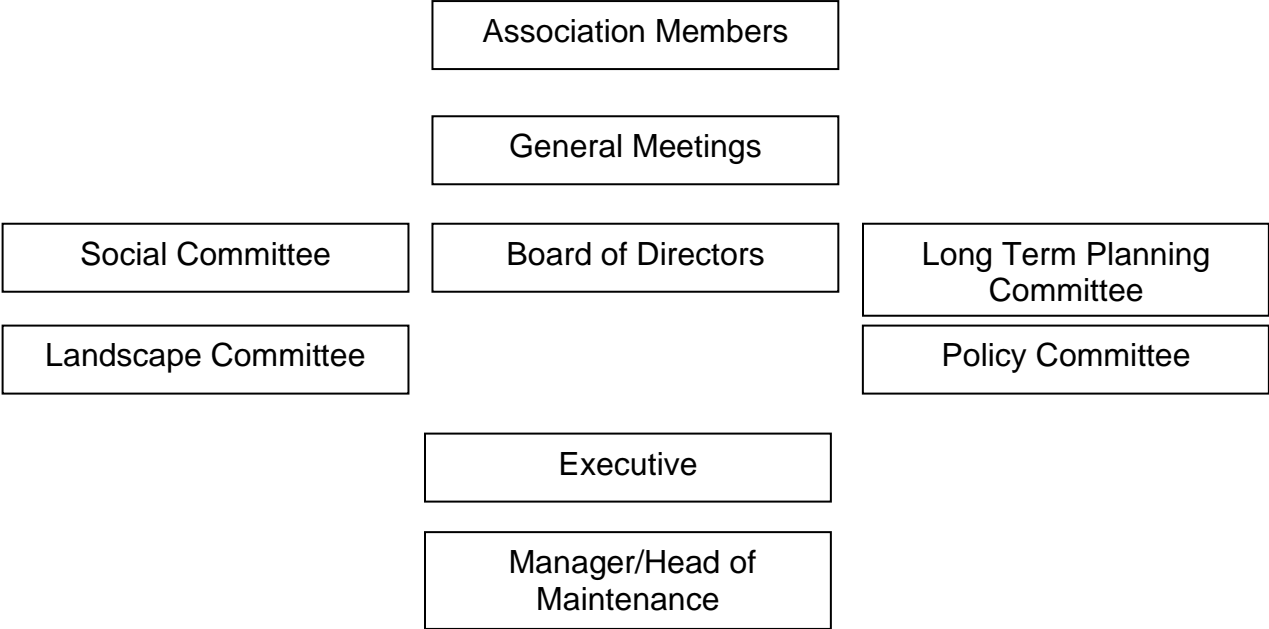
If, in the opinion of the Board of Directors, an amendment to the Policies and Procedures needs to be implemented quickly but is not of sufficient importance to merit the calling of an extraordinary general meeting or conducting a mail-in vote of the membership, the Board of Directors may decide to formulate that amendment and implement it providing the membership is informed prior to the implementation. However, the Board of Directors must submit that amendment for approval to the next annual general meeting of the Association or may seek approval for it in the next mail-in vote of the Association Membership.

3. Annual Review of the Governance Authority

The Constitution and Bylaws, and the Policies and Procedures Manual need to be reviewed annually to ensure relevance. The review process is the responsibility of the Board of Directors. However, as part of the annual review process, the Board needs to encourage suggestions for reform from the general membership. All proposed changes to the Constitution and Bylaws or to the Policies and Procedures Manual must be considered by the general membership in accordance to Part 2 of the *Societies Act* and/or Part A of this Policies and Procedures Manual.

4. Organization and General Responsibilities and Accountabilities

The Association’s Organization Chart



4.1 Members

An Association Member is a Co-Owner (Bylaws, Part 2). A Member, as an individual, is not liable for a debt or liability of the Association (*Societies Act*, Paragraph 5). However, the Members, at general meetings, jointly, have a responsibility to oversee the activities and decisions of the Board of Directors. This oversight responsibility must be exercised in accordance with the *Societies Act*, Association Constitution and Bylaws, and this Policies and Procedures Manual.

Individual Members have a responsibility to:

- Be knowledgeable about the *Society Act*, the Co-Owners Agreement, the Association’s Constitution and Bylaws (as amended from time to time), and the Policies and Procedures Manual.
- Uphold the Constitution and comply with the Bylaws and the directives contained in this Policies and Procedures Manual.

- Be knowledgeable, prior to the attendance of a general meeting, about the business of that general meeting as identified in the published agenda for that general meeting.
- Be knowledgeable about and comply with the rules and protocols governing the conduct of business at general meetings as identified in the *Societies Act*, the Bylaws, the Policies and Procedures Manual and Robert's Rules of Order. (Robert's Rules of Order shall apply only in those instances where the Act, Bylaws and the Policies and Procedures Manual are silent.)

4.2 General Meetings

A general meeting (an annual general meeting or an extraordinary general meeting) of the Members of the Association, duly called in accordance to the *Societies Act* and the Association's Bylaws, is the highest governing body of the Association and is responsible for overseeing and ultimately responsible for all actions undertaken by or on behalf of the Association.

Henceforth the vote counts in an election should be disclosed when the results of the election are communicated to the members and that permission to destroy the ballots of the last Election for Directors be sought at the next AGM.

4.3 Rules of Order

- i) The word "motions" in Bylaw 18 is to be interpreted to mean "main motions". All other motions, are considered to be "secondary motions" as defined in the current edition of Robert's Rules of Order Newly Revised, and may be voted on at General Meetings.
- ii) Before a main motion is presented to members for a mail in vote
 - (a) it must be submitted in writing by a member in good standing as a resolution to the office of the Association 60 days prior to an Annual General Meeting to allow the Association to include it with the Notice of Meeting sent to all members, and
 - (b) it must be moved by a member in good standing at the Annual/Extraordinary General Meeting otherwise it will not be considered as new business at that meeting.
 - (c) It must be seconded by a member in good standing
 - (d) It must be supported by no less than 5 members in good standing with the inclusion of their signatures and Site numbers along with the written motion.

Upon receipt of written motions, they will be sent to Policy Committee for a review. Policy Committee will work with the mover(s) to ensure that the written language is consistent with our policy manuals and to ensure that the intent of the motion will be understood and realized.

- iii) Motions submitted by Co-Owners will be reviewed by the Board of Directors and either endorsed or not endorsed. This will be communicated to Co-owners at the AGM.
- iv) Resolutions from the directors which require immediate action can, at the discretion of the board, be voted on by members at a duly called annual general meeting or extraordinary meeting, or by a mail in vote of members without having a general meeting.
- v) All members in good standing present at a meeting may speak once to a pending resolution for no more than 3 minutes until every other member has had an opportunity to speak to that motion. Thereafter, members may speak one more time but not a third time without the express permission of the meeting by consensus or a simple majority.
- vi) Non-members and members not in good standing may speak to the meeting including to a resolution only with the express permission of the meeting by consensus or a simple majority.
- vii) Although a meeting cannot vote on a resolution, it may choose to adopt a motion to recommend or not recommend the resolution and such an adopted motion must accompany the resolution when it is forwarded to members for a mail in vote.

4.4 Board of Directors

The Board of Directors, jointly, is accountable to the Members and is responsible for the governing of the Association and for overseeing Resort management decisions and actions undertaken by or on behalf of the Association in accordance with the *Societies Act*, the Association's Constitution and Bylaws, and this Policies and Procedures Manual. .

Directors of the Board must be Members-In-Good Standing of the Association and are elected by the Members in accordance with the Bylaws, Part 5.

The powers, duties, responsibilities and accountabilities of Directors are described in the *Societies Act*, Part 5, the Association's Bylaws, Parts 5 and 6, and this Policies and Procedures Manual, Part A (below). The following itemization of responsibilities is meant to provide guidance to Directors but should not be viewed as an exhaustive list. These responsibilities are embellishments and/or additions to the ones identified in the *Societies Act* and the Association's Bylaws.

Information

The Board, collectively, must provide timely and sufficient information to all members to allow individual members to become knowledgeable about the business of a general meeting. Such information shall be provided to the members no later than the required "Notice of Meeting" unless there is good and sufficient

reason for the information to be provided at a later time. The general meeting, following Robert's Rules of Order, has the authority to decide whether the required information is insufficient or unduly late for a particular piece of business and what action, if any; should be taken as a consequence.

Oversight

The Board, collectively, must oversee the actions and decisions of the Executive and through the Executive, the Manager and staff. This responsibility does not mean that the Board must be aware of every single action and decision but rather has satisfied itself that there are sufficient checks and balances to ensure actions and decisions are made in the Association's and the Co-Owners' best interest. Checks and balances include actions taken by the Board to ensure that there are good and sufficient policies and procedures in place and that such policies and procedures are appropriately followed. The checks and balances must also include regular reports from the Executive on all facets of operations of the Resort and the Association as specified in the Policies and Procedures Manual. The Board must also do what it feels is necessary to be assured that the Executive will, in a timely manner, inform the Board and seek appropriate direction from the Board on any significant changes in the affairs of the Resort or the Association.

More specifically, there is:

Financial Oversight

Review and approve annual financial plans and dues assessed to Members and present these annual plans, in a timely manner, to the total membership for approval.

Review and approve any proposed changes to such annual financial plans between Annual General Meetings and use its discretion as to when to seek approval from the total Membership for such proposed changes.

- Monitor the financial reports and generally oversee the execution of the annual financial plans throughout the year and take corrective action when appropriate.
- Ensure that there is an independent annual review of the financial affairs of the Association by an arm's length chartered accountant annually appointed by the Annual General Meeting and that any recommendations of the chartered accountant are appropriately dealt with.

Policies and Procedures

- Annually review the Constitution and Bylaws, and all three sections of the Policies and Procedures Manual. Make recommendations for any desired changes to a General Meeting of the Association for Parts A and B. Such annual reviews must include a formalized procedure for seeking the opinions of the Members on an annual basis for Parts A and B.

- Oversee the enforcement of the “Rules and Regulations” and consider appeals to decisions of the Manager.

Planning

- 1) The Board will work with the appropriate committees and Resort Management will develop a 5-year detailed operating and financial plan for the Resort.
- 2) The Board will develop written annual goals and objectives including a detailed “Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis.

Operations Oversight

- Appoint members to all standing and ad hoc committees of the Board and oversee the activities of these committees to ensure these committees meet their responsibilities.
- Ensure that appropriate checks and balances (operations policies and procedures) are in place and followed so that all legal and governmental regulatory requirements are met for employing staff and for the operation of facilities and events.
- Approve, annually, based upon the recommendations of the Executive, the conditions of employment for the Manager as well as his/her job description and work plan.

Individual Director’s Responsibilities and Liabilities

Although decisions of the Board are made collectively through democratic processes, a Director, as an individual, can be held liable for the actions of the Association or its agents including the Board and other Directors. There are common law obligations and statutory responsibilities/liabilities. *(The following comments with respect to individual Director Responsibilities and Liabilities are meant to provide information and advice but should not be considered to be “legal” advice. When deemed necessary, legal advice should be sought. Much of the information provided below was drawn from a manual prepared for the Community Futures Development Association of British Columbia.)*

Common Law Responsibilities/Liabilities

The common law obligations of an individual Director are “duties” with liabilities attached. Duties, their interpretation, and liabilities, like all common law, evolve over time. Directors, therefore, should consult a lawyer periodically for up dates on changes in the law.

However, generally speaking, a Director has a responsibility or “duty” to see that the Association and its agents act within the law and in the interests of the Association and its membership. A Director can be seen to have exercised this

general responsibility or duty by if it can be shown that he/she has carried out certain “fiduciary” duties and the duties of “care, skill and diligence”. (See *Societies Act*, Part 3, Paragraphs 25 and 26.)

Fiduciary Duties

A fiduciary is a person who, because of his/her position, has the responsibility to act primarily for another’s benefit rather than for himself/herself.

A Director is a fiduciary for the members of the Association and as such has fiduciary duties to:

- Be honest
- Be loyal to the Association
- Act in good faith
- Act in the best interests of the Association
- Avoid any conflict of interest including making any personal profit from his/her position as a Director and
- Exercise “Care”, “Skill” and “Due Diligence”

Duties of Due Care, Skill and Diligence

A Director is expected to act and or make decisions with “**due care**”. The test of due care seems to be whether or not the Director’s action was negligent, that is, did the Director use the care that a reasonable person, with similar skills and knowledge, exercising sound judgment, would take in a set of similar circumstances?

Note that judgment as to whether a director has exercised due care includes an assessment of the director’s **skill and knowledge**. A director is expected to use the skills and knowledge he or she has in exercising due care. (A director who is an accountant will be held to a higher standard of due care on financial matters than will a person who is not an accountant. However, a director cannot surrender his or her duty of due care and his or her fiduciary duties with respect to Association finances on the grounds that there is a director better qualified.

Another test of due care is whether or not a director has exercised “**due diligence**” with respect to actions or decisions. Due diligence requires that a director keeps informed on the business of the Association and the laws and government regulations affecting the Association. Although not required to be familiar with every detail of the daily administration of the Resort, directors are required to be up-to-date and knowledgeable about policies and the affairs of the Association. The test is whether or not the director took all measures to get and remain

informed that a reasonable person of similar skill and knowledge in similar circumstances would take to become and remain informed.

Common Examples of Failure to Exercise Duties

Common types of failure in carrying out the duties of a director and, hence exposure to liability are:

- (i) condoning the actions of a society that are outside the Constitutional purpose or mandate of the society;
- (ii) arguing innocence for any wrong-doing of a society on the grounds of “not being aware” (e.g., I wasn’t there when that decision was made.); and
- (iii) making a commitment, financial or otherwise, without due authorization to do so by the Association.

Statutory Responsibilities/Liabilities

There are federal and provincial statutes that have liabilities for individual directors. Such a liability is a “strict liability” meaning that it is not a defense for a director to have exercised due care, skill and diligence to be relieved of that “strict liability”. Some examples are:

- **Employee Compensation** - A director is liable for any unpaid wages or other monetary benefits (vacation, benefits, severance, etc.)
- **Income Tax, Employment Insurance and Canada Pension Payments** - A director is liable for employee and employer deductions made but not remitted along with any interest or penalties.
- **Workers Compensation Act** – A director can be liable for any obligation of the Association under this *Act*.
- **Environmental Laws** – There are provisions for director’s individual liability for laws such as *Waste Management Act*, the Canadian *Environmental Protection Act* and the *Fisheries Act*. Directors need to know the Association is acting within the law for any activity it undertakes.

4.5 Committees of the Board

The Board may create any standing or ad hoc committee it deems necessary to assist the Board in the exercise of its responsibilities.

Members of any committee serve at the pleasure of the Board and may be removed from the committee by a simple majority vote at a duly called meeting of the Board with a quorum.

All committees, as a unit, and not the individual members, are accountable to the Board.

At the time of the creation of a committee, the Board must provide that committee with terms of reference containing its mandate or purpose, responsibilities, composition and term.

Within a reasonable time and, normally, as a first order of business, a newly formed committee shall present to the Board, for approval, a work plan including a budget if necessary.

The Board may, at its discretion, issue directives to any committee to alter its mandate or purpose and responsibilities or to revise its work plan.

All standing committees, except the Executive shall present to the Board for approval, an annual report that contains a description of the previous year's activities and performance, and a work plan including a budget, if necessary, for the up-coming fiscal year. Such reports shall be presented to the Board annually in a timely way to allow

- (i) full consideration by the Board prior to the annual general meeting of the Association scheduled for that year; and
- (ii) the requirements of due notice for information for annual general meetings.

4.6 Executive

The Executive is a standing committee composed of four Officers, namely the President, Vice President, Secretary and Treasurer. The Executive, jointly and not the individual Officers, is accountable to the Board of Directors.

The entire Executive is elected annually by the Board of Directors at a duly called meeting of the Board as soon as possible after the results of the annual election of the Directors by the Association membership is made official.

The powers, duties, responsibilities and accountabilities of the Executive and the individual Officers are described in the Bylaws, Parts 5, 6 and 7 and this Policies and Procedures Manual (below).

The Executive is the administrative arm of the Board in the sense that it is to provide the leadership and support in the co-ordination of the activities necessary to assist the Board in carrying out its responsibilities (see Board responsibilities – above) and in providing direction and guidance to the Manager in accordance with the interests of the Membership.

The Executive is responsible for conducting an annual performance review of the Manager and, based upon the review, providing a report to the Board, that contains

any desired recommendations for continued employment, changes in the conditions of employment including compensation of the Manager.

The Executive is responsible, based upon recommendations of the President, for approving an annual work plan of the Manager and presenting it for approval to the Board.

The Executive is responsible, based upon recommendations of the President, for approving any changes in the staff complement or significant changes in the job descriptions or compensation of staff outside the authority of the Manager to make such changes. Changes in staff complement means changes to the number of staff or job descriptions that have budget implications and not to changes in individual staff employment. Such personnel changes are the responsibility of the Manager in accordance to the provisions in our Human Resources Manual.

Officers

The duties of the individual Officers, in addition to those of a Director, are identified in the Bylaws, Part 7 and this Policies and Procedures Manual (below).

President

As specified in the Bylaws (Part 7), the President presides at all meetings of the Association and of the directors. The President also serves as the chief officer of the Association and as such provides leadership to the other officers, directors and the general membership in carrying out the purpose of the Association in accordance with the *Societies Act* and the Co-owners Agreement.

Consistent with the Bylaws Part 7, under normal circumstances, the President is the sole official contact with the Manager for the Executive and the Board. As such, the President provides direction and guidance to the Manager in accordance with the direction and advice of the Executive or Board and in manner that is consistent with *Societies Act*, the Bylaws, Parts B and C of the Policies and Procedures Manual, and the interest of the members. This sole official contact status does not constrain the Executive or the Board from requesting the Manager to meet with the Executive as a whole or the Board as a whole, to address any concern. Also, the President may elect to direct the Manager to take direction and guidance from another director or member for a specified task or responsibility.

Unless it is the specified responsibility of another Officer, Director or Member, the President shall present all reports and recommendations to the Board on behalf of the Executive and to General Meetings on behalf of the Board. The President may delegate this responsibility in whole or in part. The Executive, as a body, or the Board, as a body, may also delegate this responsibility, in whole or in part, by a majority vote.

The President is the sole spokesperson for the Association for all external communications unless otherwise specified in the *Societies Act*, the Bylaws or this Policies and Procedures Manual. The President may delegate this responsibility, in

whole or in part. The Board may designate an alternate spokesperson to the President or his/her delegate by a majority vote of the Board.

Vice President

Consistent with the Bylaws defining the Vice President's responsibilities, in the event the President cannot exercise his/her responsibilities due to absence or poor health, the Vice President shall assume those responsibilities.

Secretary

As specified in the Bylaws (Part 7), the Secretary is responsible for:

- Conducting the correspondence of the society;
- Issuing notices of meetings of the Association and directors;
- Keeping minutes of all meetings of the Association and directors;
- Maintaining custody of all records and documents of the Association except those required to be kept by the Treasurer;
- Maintaining the register of Members.

Treasurer

As specified in the Bylaws (Part 7) the Treasurer has oversight responsibility for:

- Keeping the financial records, including books of account, necessary to comply with the *Societies Act*;
- Rendering financial statements to the directors, members and others when required.

4.7 Committees

Each committee will:

- Be accountable to the Board of Directors, reporting as needed and with a final report due before the September Board meeting to provide input into the budget for the coming year.
- Be comprised of a minimum of three (3) co-owners.
- Elect its' own chair.
- Serve for a one-year term beginning in the spring of each year (May).

The Board will:

- Appoint a director or directors to serve as a liaison to each committee.
- Approve the appointment of committee members to each committee.

Long Term Planning Committee

The committee mandate is to:

Report to the Board, within the first year of the Committee's mandate, presenting a "long term capital expenditure plan" relating to the Resort and, thereafter, an annual revision to such plan.

- To include in this plan advance preparation in the event of any potential failure of our infrastructure.
- These annual reports shall be made before the September board meeting allowing the Board sufficient time to consider the reports, add any relevant capital expenditures recommendations to the annual proposed budget and to duly inform the Membership of any relevant issues or recommendations prior to the annual general meetings.
- From time to time, as directed by the Board, consider and make recommendations to the Board for any potential expenditure relating to capital investments for the Resort.

Note: A capital investment expenditure is defined as any expenditure requiring more than one fiscal year to finance and/or the resulting asset will not be fully depreciated during one fiscal year. The annual reports shall also include such things as a summary of the previous year's activities and an accounting of any expenditure. (Refer to Part A.4.4.)

Landscape Committee

The committee's mandate is to:

Report to the Board, within the first year of the Committee's mandate, presenting a "long term master landscaping plan" relating to the common lands of the Resort and, thereafter, an annual revision to such plan.

- These annual reports shall be made before the September Board meeting allowing the Board sufficient time to consider the reports, add any resulting expenditure recommendations to the annual proposed budget and to duly inform the Membership of any relevant issues or recommendations prior to the annual general meetings. The Committee should consult with the Long Term Planning Committee for any expenditure deemed to be a capital expenditure.

- Approve and co-ordinate all activities by Members who volunteer to create and maintain any landscaping or gardening projects on common lands. This latter responsibility must be exercised within the parameters of the master landscaping plan for all common lands in full consultation with Resort Management recognizing it is Management's responsibility to maintain the common lands and facilities.
- Note: The annual reports shall also include such things as a summary of the previous year's activities and an accounting of any expenditure. (Refer to 4.4. above.)

Social Committee

The Committee's mandate is to:

- Facilitate in the identification of recreational activities or events that Resort co-owners wish to have and to provide leadership in identifying volunteers to undertake such recreational activities or events.
- Co-ordinate the scheduling of such recreational activities and events in consultation with the Manager recognizing the responsibilities of management to maintain the commons lands and facilities.
- Manage the Social Committee's finances. No recreational activity or event sanctioned by the Committee can be profit generating for the benefit of the organizers of that activity or event. All surpluses (revenues net of expenses) from any activity or event must be submitted to the Committee by the volunteers responsible for the activity or event.
- Oversee the revenues and expenses of all recreational activities and events sanctioned by the Committee providing mechanisms to ensure the volunteers of these recreational activities and events are protected from allegations of miss-management or miss-use of funds.
- Create and follow criteria for approving projects for financial support out of surpluses. These criteria are to include a process to allow for suggestions from the general membership.

Note: Co-owners do not have to receive the endorsement of the Committee to organize or run a recreational activity or event. However, if such activity or event uses the common lands or facilities, the organizers must first obtain permission from the Manager. Also, the Manager must be satisfied that the activity or event is not meant to be profit generating for the benefit of the organizers and that any surplus funds (revenues net of expenses) from the activity or event are given to the Social Committee.

The Committee shall report to the Board annually. This annual report shall include such things as a summary of the previous year's activities, planned undertakings for the new year, a financial report, the criteria for sanctioning activities and events, criteria for approving projects for financial support and policy revision recommendations for the Board's consideration. These annual reports shall be made on a timely basis allowing the Board sufficient time to consider the reports, add any resulting expenditure recommendations to the annual proposed budget and to duly inform the Membership of any relevant issues or recommendations prior to the annual general meeting. (Refer to 4.4. above)

Policy Committee

The committee mandate is to:

To conduct an annual review of the two Policy and Procedures Manuals (Part A and Part B) and to provide recommendations to the Board of Directors.

- To provide the Board with recommendations and information about the implication of any proposed rule changes.
- To ensure that rules are written in a way that is clear and understandable.

4.8 Management

The Manager is the senior member of staff who is accountable to the Executive.

The Manager is responsible for the overall management of the Resort including the enforcement of Part B ("Rules and Regulations") and the operation of the Resort under the guidance of the Board through the President. This responsibility is exercised in accordance with the Manager's job description and annual work plans plus the Human Resources Manual, this Policies and Procedures Manual and directives issued by the Board through the President from time to time.

4.9 Appeal Mechanisms to Management Decisions

A Member may appeal to the Board of Directors any decision of the Manager pertaining to Part B (Rules and Regulations) of this Policies and Procedures Manual. Such an appeal normally shall be in writing noting the Member's opinion as to why the Manager's decision is unjustified. The Board of Directors will consider the appeal at a duly called Board meeting and will ask the Manager to provide the rationale for his/her decision either in writing or in person at the Board meeting. The Board may invite the Member to attend the Board meeting to present his/her position. However, a Member must be allowed to speak at the Board meeting concerning the appeal if that Member so requests prior to or during the duly called Board meeting at which the said appeal is on the agenda. A decision by the Board will be provided to the Member in writing.

A Member may appeal a decision by the Board of Directors at a duly called general meeting of the Association (an annual general meeting or an extraordinary general meeting. Refer to Bylaws - Part 4 "Proceedings at General Meetings" and the *Societies Act* - Part 6 "Members and Meetings".)

5. Conflict of Interest

Directors, Committee members and other volunteers may have a conflict of interest or a perceived conflict of interest if they use their positions or information acquired as a result of their positions to their advantage or if such behavior is against or can be perceived to be against the interest of the Association or its Membership. Such conflicts of interests shall include but not limited to use of the Resort's letterhead, logos, and office facilities for personal gain. A conflict of interest may also exist if a Director, Member or volunteer is only "indirectly" involved, through association, in an act or transaction by an immediate family member or some other person or corporation that the Director, Member or volunteer has a business relationship.

The Association will follow the Conflict of Interest Policy as outlined in Paragraphs 56, 57, and 58 of the *Societies Act* as up-dated to November 28, 2016 and as amended thereafter.

In addition to Directors, the provisions as cited in the *Societies Act* shall apply to any Association Member or other volunteer who is acting on behalf of the Association. (However, refer to Part C "Operations" of this Manual for the Conflict of Interest Policy for staff and others working for the Association for remuneration such as contractors.)

If a Director, Member or volunteer believes he/she has a possible conflict of interest, he/she shall inform the Board of Directors and abide by the decision of the Board or appeal the decision, with proper notice, at a general meeting of the Association.

6. Remuneration

The Association, as a society, is a non-profit organization. Thus, the Members, including the Directors and Officers, serve the Association as volunteers and shall not normally receive any remuneration for any services provided to the Association. However, for any duly sanctioned activity, a member may be compensated for any reasonable out-of-pocket expenses upon presentation of an expense report with appropriate receipts attached. Under normal circumstances, the Board must approve an expense budget for any duly sanctioned activity by a Member before the activity commences and any expenses are incurred. Nevertheless, under special circumstances, the Board may decide by majority vote to provide an honorarium to a Member or any other person providing an extraordinary service to the Association.

7. Co-Owners as Staff

The Association is not to hire, as staff, any Co-Owner or their immediate family members. This policy may be over-ridden, on a case by case basis, by a motion from the Board. Any motion to over-ride this policy generally will be justified by the following guidelines.

1. It is in the interest of the Association and/or all the Co-Owners, jointly, to hire a Co-Owner for a specific task with specific time lines requiring the unique talents of that Co-Owner and this task is over and above what is normally demanded of a Co-Owner as a volunteer; or
2. Management cannot find a suitable candidate for an employment position who is not a Co-Owner or an Immediate Family member.

8. Finances

Audited Statements

The Association will appoint an arms length chartered accountant at each Annual General Meeting to conduct an independent review of the Association's finances for the fiscal year specified in the appointment and to prepare a report of his/her findings to the Association at its next Annual General meeting.

Management Letter

The chartered accountant shall also be asked to prepare a "Management Letter to the Board of Directors" to accompany the report for the annual financial review. This letter shall make recommendations for the improvement of the financial management system and its operation. The Board will consider the recommendations of the chartered accountant's annual report and the Management letter and provide direction to the Executive and Management to implement desired changes to the financial system or its operation.

Annual Budget Preparation Process

The Manager shall prepare a draft annual budget in consultation with the Executive. The Executive shall make any changes it deems appropriate and present it to the Board for consideration. The Board shall make any changes it deems appropriate and present it to the Membership for final approval.

Timelines and Responsibilities

The fiscal year for the Association begins January 1. **An Annual General Meeting must be held once in every calendar year in accordance with the Societies Act.**

The Board is responsible for ensuring the Budget for a fiscal year is presented to the Association members for approval by October 31 of the prior year and for obtaining approval from the members by December 31 of the prior year.

Once the budget is approved by the members, the maintenance fee for the operations of the resort per RV Site will be determined by dividing the approved budget by the number of shared interest units (382). A billing for these

maintenance fees will be mailed to a Co-Owner for each shared interest no later than February 1st for the year it is assessed. [Refer to terms and conditions for payment in Co-Owners Agreement which states that maintenance fees including property tax assessment estimates shall be due within sixty (60) days of receipt of the invoice or bill and late payments will bear an interest late payment fee of 1.5% per month from due date to date on which payment is made.]

Payment of Annual Fees

Refer to the terms and conditions for payment in Co-Owners Agreement which states that maintenance fees including property tax assessment estimates shall be due within thirty (30) days of the due date on the invoice or bill. Late payments will bear an interest fee of 1.5% per month from the due date to the date on which payment is made.]

Co-owners can, with the permission of the Executive, elect to pay the annual maintenance fee in installments as small as monthly provided the office receives post-dated cheques to cover the entire annual maintenance fee owing for a fiscal year by January 1 of that fiscal year. There shall be a 1.5% service charge on overdue unpaid balances (i.e., all unpaid balances beyond the due date identified in paragraph above).

Property Taxes

The Association will pay property taxes on the land and common facilities of the Resort property on behalf of the Co-Owners. An estimate of these taxes will be included in the budget and thus in the maintenance fees levied on the shared interests.

Taxes assessed on the individual Co-Owner's RV units and RV Site improvements (decks, canopies etc) over and above the taxes on the "Lands" and common facilities will be the direct responsibility of the affected Co-Owners to pay.

Electricity on RV Sites

The cost of electricity on RV sites is not included in the maintenance fee. Electrical power consumption for each RV Site will be calculated and invoiced to the Co-Owners on a periodic basis.

Contingency Fund

The Contingency Fund was created by a levy against each shared interest. Its purpose is to pay for any large, unexpected and unbudgeted expense that is required to repair or replace any of the "Common Facilities" or "Recreational Facilities" in the "Resort" as defined in the Co-Owners Agreement. It is to be administered by the Caravans West Owners Association.

Unless, there is an emergency, any withdrawal from the Contingency Fund to pay any expense requires the prior approval of a majority of the Caravans West Association members voting on a duly presented resolution or motion. However, in case of an emergency with regard to water, sewer or electricity, the Board is able to access the Contingency Fund without prior approval from the membership.

Borrowing

Paragraph 34 of the Societies Act is relevant. It reads:

The by-laws of a society may restrict or prohibit the society's ability to borrow money or to issue bonds, debentures, notes or other evidences of debt obligations.

Our by-laws #49, 50, and 51 apply

September 2022